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ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-02597A WATER
CEDAR GROVE WATER
PO BOX 876
TAYLOR AZ 85939-0000

ANNUAL REPORT

FOR YEAR ENDING

12	31	2000
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FOR COMMISSION USE

ANN 04	00
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COMPANY INFORMATION

Company Name (Business Name) CEDAR GROVE WATER

Mailing Address P.O. BOX 876
TAYLOR AZ 85939

Email Address

Local Office Mailing Address P. O. BOX 426
LAKESIDE AZ 85929

(520)537-8739 (520)536-5431 (520)532-6941/(520)521-7128
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

MANAGEMENT INFORMATION

Management Contact: MARK GRAPP, OWNER
P.O. BOX 876
TAYLOR AZ 85939

(520)537-8739 (520)536-5431 (520)532-6941/(520)521-7128
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

On Site Manager: MARK GRAPP, OWNER
P.O. BOX 876
TAYLOR AZ 85939

(520)537-8739 (520)536-5431 (520)532-6941/(520)521-7128
Local Office Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Email Address

Statutory Agent: NOT APPLICABLE

Attorney: NOT APPLICABLE

OWNERSHIP INFORMATION

Check the following box that applies to your company:

☒ **Sole Proprietor (S)**

☐ **C Corporation (C) (Other than Association/Co-op)**

☐ **Partnership (P)**

☐ **Subchapter S Corporation (Z)**

☐ **Bankruptcy (B)**

☐ **Association/Co op (A)**

☐ **Receivership (R)**

☐ **Limited Liability Company**

☐ **Other (Describe)**

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

☒ **APACHE**

☐ **COCHISE**

☐ **COCONINO**

☐ **GILA**

☐ **GRAHAM**

☐ **GREENLEE**

☐ **LA PAZ**

☐ **MARICOPA**

☐ **MOHAVE**

☐ **NAVAJO**

☐ **PIMA**

☐ **PINAL**

☐ **SANTA CRUZ**

☐ **YAVAPAI**

☐ **YUMA**

☐ **STATEWIDE**

CEDAR GROVE WATER**UTILITY PLANT IN SERVICE****(With revised pro forma adjustments per ACC Staff Recommendation 02/23/01)**

Acct. No.	DESCRIPTION	Original Cost	Less Fully Depreciated Plus Additions	Plant Balance	Accumulated Depreciation	O.C.L.D.
301	Organization Cost	1,000	Not Depreciable	1,000	Not Applicable	1,000
302	Franchise Cost	500	Not Depreciable	500	Not Applicable	500
303	Land and Land Rights	1,000	Not Depreciable	1,000	Not Applicable	1,000
304	Structures and Improvements	10,500	-2,000	8,500	566	7,934
307	Wells and Springs	20,700	-745	19,955	1,330	18,625
311	Electric Pumping Equipment**	17,905	146	18,051	7,191	10,860
320	Water Treatment Equipment	500	-500	0	0	0
330	Distribution Reservoirs & Standpipe:					0
	330.1 Storage Tanks	4,500		4,500	200	4,300
	330.2 Pressure Tanks	8,300		8,300	8,300	0
331	Transmission and Distribution Mains	199,540	61,114	260,654	9,204	251,450
333	Services	15,084		15,084	1,004	14,080
334	Meters	3,806	200	4,006	651	3,355
335	Hydrants					0
339	Plant Structures and Improvements					0
340	Office Furniture and Fixtures					0
341	Transportation Equipment					0
343	Tools and Work Equipment	350	-350	0	0	0
344	Laboratory Equipment					0
345	Power Operated Equipment					0
346	Communications Equipment					0
347	Miscellaneous Equipment					0
348	Tangible Plant	550	-550		0	0
	TOTAL WATER PLANT	284,235	57,315	341,550	28,446	313,104

Accumulated Depreciation Total goes on the Balance Sheet Acct. No. 108.

CEDAR GROVE WATER

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost	Less Fully Depreciated Plus Additions	Plant Balance	Depreciation Percentage	Depreciation Expense
301	Organization Cost	1,000	Not Depreciable	1,000		
302	Franchise Cost	500	Not Depreciable	500		
303	Land and Land Rights	1,000	Not Depreciable	1,000		
304	Structures and Improvements	10,500	-2,000	8,500	3.33%	283
307	Wells and Springs	20,700	-745	19,955	3.33%	665
311	Electric Pumping Equipment**	17,905	146	18,051	20%	3,610
320	Water Treatment Equipment	500	-500	0		0
330	Distribution Reservoirs & Standpipe					0
	330.1 Storage Tanks	4,500		4,500	2.22%	100
	330.2 Pressure Tanks	8,300		8,300	5.00%	415
331	Transmission and Distribution Mains	199,540	61,114	260,654	2.00%	5,213
333	Services	15,084		15,084	3.33%	502
334	Meters	3,806	200	4,006	8.33%	334
335	Hydrants				2%	0
339	Plant Structures and Improvements				6.67%	0
340	Office Furniture and Fixtures				6.67%	0
341	Transportation Equipment				5%	0
343	Tools and Work Equipment	350	-350	0	20%	0
344	Laboratory Equipment				5%	0
345	Power Operated Equipment				5%	0
346	Communications Equipment				5%	0
347	Miscellaneous Equipment				10%	0
348	Tangible Plant	550	-550			0
	TOTAL WATER PLANT	284,235	57,315	341,550		11,122

**Note: CGW submersible pumps avg. service life of 5 yrs. due to electrical single-phase power only provided in the area.

Depreciation Expense Total goes on Comparative Statement of Income and Expense Acct. No. 403.

CEDAR GROVE WATER

BALANCE SHEET

Acct No.	ASSETS	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 753	\$ 1,171
134	Working funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	\$ 1,982	\$ 27
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies		
162	Prepayments		\$ 3,197
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 2,735	\$ 4,394
	FIXED ASSETS		
101	Utility Plant in Service	\$ 280,090	\$ 341,550
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation - Utility Plant	\$ (9,854)	\$ (28,446)
121	Non-Utility Property		
122	Accumulated Depreciation - Non Utility		
	TOTAL FIXED ASSETS	\$ 270,236	\$ 313,104
	TOTAL ASSETS	\$ 272,971	\$ 317,498

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

CEDAR GROVE WATER

BALANCE SHEET (CONTINUED)

Acct No.	LIABILITIES	BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	CURRENT LIABILITIES		
231	Accounts Payable	\$ -	\$ -
232	Notes Payable (Current Portion)	\$ -	\$ -
234	Notes/Accounts Payable to Associated Companies	\$ -	\$ -
235	Customer Deposits	\$ 6,104	\$ 8,544
236	Accrued Taxes		
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities		
	TOTAL CURRENT AND ACCRUED LIABILITIES	\$ 6,104	\$ 8,544
	LONG TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds		
	DEFERRED CREDITS		
251	Unamortized Premium on Debt		
252	Advance in Aid of Construction	\$ 149,011	\$ 220,276
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	\$ 4,019	\$ 4,019
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL LIABILITIES	\$ 159,134	\$ 232,838
	CAPITAL ACCOUNTS		
201	Common Stock Issued		
211	Paid in Capital in Excess of Par Value		
215	Retained Earnings		
218	Proprietary Capital (Sole Props and Partnerships)	\$ 187,288	\$ 84,659
	TOTAL CAPITAL		
	TOTAL LIABILITIES AND CAPITAL	\$ 352,526	\$ 317,498

CEDAR GROVE WATER

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 36,156	\$ 47,403
460	Unmetered Water Revenue	\$ 253	\$ 253
474	Other Water Revenue	\$ 465	\$ 725
	TOTAL REVENUES	\$ 36,874	\$ 48,381
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 9,151	\$ 16,923
610	Purchased Water		
615	Purchased Power	\$ 5,831	\$ 7,449
618	Chemicals		
620	Repairs and Maintenance	\$ 1,063	\$ 1,350
621	Office Supplies and Expense	\$ 2,879	\$ 2,276
630	Outside Services	\$ 5,758	\$ 10,757
635	Water Testing	\$ 2,660	\$ 1,732
641	Rents	\$ 722	\$ 4,113
650	Transportation Expenses	\$ 2,309	\$ 5,640
657	Insurance - General Liability	\$ 353	\$ 834
659	Insurance - Health and Life		
666	Regulatory Commission Expense - Rate Case		\$ 1,553
675	Miscellaneous Expense	\$ 1,306	\$ 825
403	Depreciation Expense	\$ 25,981	\$ 11,122
408	Taxes Other Than Income	\$ 1,668	\$ 2,274
408	Property Taxes		\$ 4,472
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 59,682	\$ 71,321
	OTHER INCOME/EXPENSE		
419	Interest and Dividend Income	\$ 19	\$ 102
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		
427	Interest Expense		\$ (109)
	TOTAL OTHER INCOME/EXP	\$ 19	\$ (7)
	NET INCOME/(LOSS)	\$ (22,790)	\$ (22,947)

CEDAR GROVE WATER**SUPPLEMENTAL FINANCIAL DATA****Long-Term Debt**

	Loan #1	Loan #2	Loan #3	Loan #4
Date Issued	N/A	N/A	N/A	N/A
Source of Loan				
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued				
Amount Outstanding				
Date of Maturity				
Interest Rate				
Current Year Interest				
Current Year Principal				

Meter Deposit Balance at Test Year End \$ 9,000.00

Meter Deposits Refunded During the Test Year \$1,815.00

CEDAR GROVE WATER**WATER COMPANY PLANT DESCRIPTION**

WELLS					
ADWR ID Number	Pump Horsepower	Pump Yield (gpm)	Casing Size (inches)	Casing Depth (feet)	Meter Size (inches)
55-087623	5	11.5	6	860	1
55-550075	5	31.5	6 & 5	440	1 1/2
55-566375	7.5	56	6	544	1 1/2

<u>OTHER WATER SOURCES</u>		
Name or Description	Capacity (gpm)	Gallons Purchased or obtained (thousands)

TOTAL GALLONS PUMPED (NOT SOLD) THIS YEAR (thous.)=10,235

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
2	4	10	
5	1		
3/4	1		
1/2	1		
7.5	2		

STORAGE TANKS			PRESSURE TANKS	
CAPACITY (gals)	QUANTITY (how many)		CAPACITY (gals)	QUANTITY (how many)
10,000	1		1000	1
15,000	1		2000	1
12,500	1			
50,000	1			

TREATMENT EQUIPMENT:
N/A

STATISTICAL INFORMATION

Total number of customers 150

Total number of gallons sold 10,235,229 gallons

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2000 was: \$4,472.21

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why.

INCOME TAXES

For this reporting period, provide the following: *(Not applicable – Sole Proprietorship pays*

Federal Taxable Income Reported *it's taxes based on Owner's Schedule C*

Estimated or Actual Federal Tax Liability *income.)*

State Taxable Income Reported

Estimated or Actual State Tax Liability

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.



SIGNATURE

4/13/01

DATE

MARK GRAPP

PRINTED NAME

OWNER

TITLE

**WATER AND SEWER
UTILITIES ONLY**

PROPERTY TAXES

Indicate the amount of actual property taxes paid during this reporting period (Calendar Year 2000)

\$4,472.21

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled

Checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain reasons below:

VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

County of NAVAJO

I, MARK GRAPP, THE UNDERSIGNED OWNER OF THE CEDAR GROVE WATER COMPANY
DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION

	MONTH	DAY	YEAR
FOR THE YEAR ENDING	12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT


IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Revenues
Only

\$53,263.00 BILLED

(THE AMOUNT ABOVE INCLUDES
\$2,838.36 IN SALES TAXES BILLED)

**REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)


SIGNATURE OF OWNER

(520)536-5431

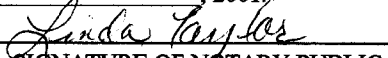
TELEPHONE NUMBER

*REVENUE REPORTED ON THIS PAGE IS BASED ON ACTUAL AMOUNT BILLED, WHEREAS REVENUE IN FINANCIAL STATEMENT IS BASED ON CASH RECEIPTS DURING THE YEAR. THERE WAS \$53,263.00 BILLED; \$47,655.73 RECEIVED IN PAYMENTS DURING 2000, FOR A DIFFERENCE OF \$5,607.27. BOOKS ARE KEPT ON CASH BASIS, NOT ACCRUAL. SALES TAXES ARE PAID MONTHLY ON AMOUNTS RECEIVED.

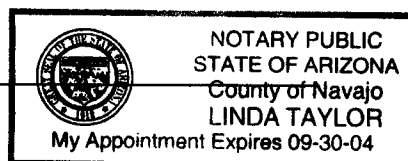
SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY OF

NAVAJO
(SEAL)

THIS 13 DAY OF APRIL, 2001.


SIGNATURE OF NOTARY PUBLIC

MY COMMISSION EXPIRES:



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
Intrastate Revenues Only

VERIFICATION

STATE OF ARIZONA

County of NAVAJO

I, MARK GRAPP, THE UNDERSIGNED OWNER OF THE CEDAR GROVE WATER COMPANY
DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION
COMMISSION

	MONTH	DAY	YEAR
FOR THE YEAR ENDING	12	31	2000

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2000 WAS:

Arizona IntraState Gross Operating Residential
Revenues
\$49,701.82 BILLED
(THE AMOUNT ABOVE INCLUDES
\$2,587.94 IN SALES TAXES BILLED)

****REVENUE REPORTED ON THIS PAGE MUST
INCLUDE SALES TAXES BILLED.**

***REVENUE REPORTED ON THIS PAGE IS BASED ON ACTUAL AMOUNT BILLED, WHEREAS REVENUE IN FINANCIAL STATEMENT IS BASED ON CASH RECEIPTS DURING THE YEAR. THERE WAS \$49,701.82 BILLED; \$44,121.55 RECEIVED IN PAYMENTS DURING 2000, FOR A DIFFERENCE OF \$5,580.27. BOOKS ARE KEPT ON CASH BASIS, NOT ACCRUAL. SALES TAXES ARE PAID MONTHLY ON AMOUNTS RECEIVED.**

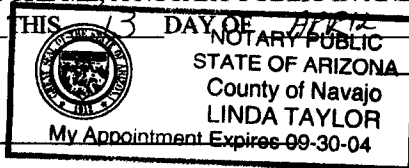


SIGNATURE OF OWNER

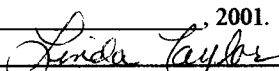
(520)536-5431

SUBSCRIBED AND SWORN TO BEFORE ME, A NOTARY PUBLIC IN AND FOR THE COUNTY OF

NAVAJO
(SEAL)



MY COMMISSION EXPIRES: _____


SIGNATURE OF NOTARY PUBLIC

2000 1/2 47991

CEDAR GROVE WATER
P.O. BOX 426
LAKESIDE, AZ 85929

2246

Date 10.4.00

91-170/1221 AZ
8595

Pay to the
order of

Apache Co.

\$ 1235 ⁷⁹/₁₀₀

one thousand two hundred and thirty five

⁷⁹/₁₀₀ Dollars

Bank of America.

ACH R/T 122101706

For 901-60-900



MP

⑆122101706⑆ 000094775439⑈ 2246 ⑆0000123572⑈

99F 47463 98F 46492 1 25050

CEDAR GROVE WATER
P.O. BOX 426
LAKESIDE, AZ 85929

2156

Date 6.8.00

91-170/1221 AZ
8595

Pay to the
order of

Apache Co.

\$ 3236 ⁴⁹/₁₀₀

three thousand two hundred thirty six

⁴⁹/₁₀₀ Dollars

Bank of America.

ACH R/T 122101706

For 901-60-900



MP

⑆122101706⑆ 000094775439⑈ 2156 ⑆0000323649⑈

⑆122101706⑆ 000094775439⑈ 2156 ⑆0000323649⑈